

AMENDED IN ASSEMBLY APRIL 8, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 468

Introduced by Assembly Member Chesbro
(Principal coauthors: Assembly Members Alejo, Levine, and Stone)
(Coauthor: Assembly Member Atkins)

February 19, 2013

An act to amend Section 42463 of the Public Resources Code, relating to recycling; add Section 16031 to the Insurance Code, and to repeal Chapter 1.5 (commencing with Section 4210) of Part 2 of Division 4 of the Public Resources Code, relating to insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 468, as amended, Chesbro. ~~Recycling; electronic waste.~~
Insurance: Disaster Management, Preparedness, and Assistance Surcharge.

Existing law required, by September 1, 2011, the State Board of Forestry and Fire Protection to adopt emergency regulations to establish a fire prevention fee of not more than \$150 for the necessary fire prevention activities of the state that benefit the owners of structures within a state responsibility area.

This bill would repeal the fire prevention fee. The bill would create the Disaster Management, Preparedness, and Assistance Fund in the State Treasury. The bill would require insureds to pay a special purpose surcharge, the Disaster Management, Preparedness, and Assistance Surcharge, on each commercial and residential fire and multiperil insurance policy issued or renewed on or after January 1, 2014, equivalent to 4.8% of the premium written on residential fire and multiperil insurance or the property exposure for commercial policies

in California. Moneys from this surcharge would be deposited in the fund and be appropriated by the Legislature for the purposes of funding emergency activities of the Office of Emergency Services, the Department of Forestry and Fire Protection, and the Military Department, as well as local governments for disaster planning and response. The bill would also require every admitted insurance company in the state to collect the surcharge and separately identify the surcharge on each affected insurance policy.

~~Existing law, the Electronic Waste Recycling Act of 2003, requires a retailer selling a covered electronic device in this state to collect a covered electronic waste recycling fee from the consumer, as specified. These fees are deposited in the Electronic Waste Recovery and Recycling Account, and the Department of Resources Recycling and Recovery (CalRecycle) is continuously appropriated the money in the account to, among other things, make electronic waste recovery payments and recycling payments.~~

~~The bill would make conforming changes with reference to CalRecycle.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 16031 is added to the Insurance Code,
- 2 to read:
- 3 16031. (a) The Disaster Management, Preparedness, and
- 4 Assistance Fund is hereby created in the State Treasury. Funds
- 5 received by the Office of Emergency Services pursuant to this
- 6 section shall be deposited into this fund. Funds deposited into this
- 7 fund shall be appropriated by the Legislature for the purposes of
- 8 funding emergency activities of the Office of Emergency Services,
- 9 the Department of Forestry and Fire Protection, and the Military
- 10 Department, as well as to local governments for disaster planning
- 11 and response.
- 12 (b) Insureds shall pay a special purpose surcharge on each
- 13 commercial and residential fire and multiperil insurance policy
- 14 issued or renewed on or after January 1, 2014, equivalent to 4.8
- 15 percent of the premium written on residential fire and multiperil
- 16 insurance or the property exposure for commercial policies in
- 17 California. The Disaster Management, Preparedness, and

1 Assistance Surcharge shall only be applied to new business and
2 renewal transactions. No adjustment shall be made for midterm
3 increases or decreases in exposure or coverage. The amount of
4 the surcharge shall be calculated to the nearest dollar.
5 Notwithstanding any other law, failure to collect the surcharge
6 from insureds prior to January 1, 2015, shall not result in a
7 penalty, fine, or other liability.

8 (c) Every admitted insurer in this state shall collect the
9 surcharge fee specified in subdivision (b), which shall be separately
10 identified on each policy, with respect to residential fire and
11 multiperil insurance and the property portion of commercial
12 policies.

13 (d) Funds received as a result of the surcharge imposed on
14 insureds as a percentage of premiums written on residential fire
15 and multiperil insurance and property exposure for commercial
16 insurance policies shall be remitted by the admitted insurers to
17 the Office of Emergency Services, or other state agency designated
18 to collect the surcharge on behalf of the Office of Emergency
19 Services, within 45 days following the end of each calendar
20 quarter.

21 SEC. 2. Chapter 1.5 (commencing with Section 4210) of Part
22 2 of Division 4 of the Public Resources Code is repealed.

23 SECTION 1. ~~Section 42463 of the Public Resources Code is~~
24 ~~amended to read:~~

25 ~~42463. For the purposes of this chapter, the following terms~~
26 ~~have the following meanings, unless the context clearly requires~~
27 ~~otherwise:~~

28 (a) ~~“Account” means the Electronic Waste Recovery and~~
29 ~~Recycling Account created in the Integrated Waste Management~~
30 ~~Fund under Section 42476.~~

31 (b) ~~“Authorized collector” means any of the following:~~

32 (1) ~~A city, county, or district that collects covered electronic~~
33 ~~devices.~~

34 (2) ~~A person or entity that is required or authorized by a city,~~
35 ~~county, or district to collect covered electronic devices pursuant~~
36 ~~to the terms of a contract, license, permit, or other written~~
37 ~~authorization.~~

38 (3) ~~A nonprofit organization that collects or accepts covered~~
39 ~~electronic devices.~~

~~(4) A manufacturer or agent of the manufacturer that collects, consolidates, and transports covered electronic devices for recycling from consumers, businesses, institutions, and other generators.~~

~~(5) An entity that collects, handles, consolidates, and transports covered electronic devices and has filed applicable notifications with the department pursuant to Chapter 23 (commencing with Section 66273.1) of Division 4.5 of Title 22 of the California Code of Regulations.~~

~~(e) “CalRecycle” means the Department of Resources Recycling and Recovery.~~

~~(d) “Consumer” means a person who purchases a new or refurbished covered electronic device in a transaction that is a retail sale or in a transaction to which a use tax applies pursuant to Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code.~~

~~(e) Notwithstanding Section 40118, “department” means the Department of Toxic Substances Control.~~

~~(f) (1) Except as provided in paragraph (2), “covered electronic device” means a video display device containing a screen greater than four inches, measured diagonally, that is identified in the regulations adopted by the department pursuant to subdivision (b) of Section 25214.10.1 of the Health and Safety Code.~~

~~(2) “Covered electronic device” does not include any of the following:~~

~~(A) A video display device that is a part of a motor vehicle, as defined in Section 415 of the Vehicle Code, or any component part of a motor vehicle assembled by, or for, a vehicle manufacturer or franchised dealer, including replacement parts for use in a motor vehicle.~~

~~(B) A video display device that is contained within, or a part of a piece of industrial, commercial, or medical equipment, including monitoring or control equipment.~~

~~(C) A video display device that is contained within a clothes washer, clothes dryer, refrigerator, refrigerator and freezer, microwave oven, conventional oven or range, dishwasher, room air-conditioner, dehumidifier, or air purifier.~~

~~(D) An electronic device, on and after the date that it ceases to be a covered electronic device under subdivision (e) of Section 25214.10.1 of the Health and Safety Code.~~

1 ~~(g) “Covered electronic waste” or “covered e-waste” means a~~
2 ~~covered electronic device that is discarded.~~

3 ~~(h) “Covered electronic waste recycling fee” or “covered e-waste~~
4 ~~recycling fee” means the fee imposed pursuant to Article 3~~
5 ~~(commencing with Section 42464).~~

6 ~~(i) “Covered electronic waste recycler” or “covered e-waste~~
7 ~~recycler” means any of the following:~~

8 ~~(1) A person who engages in the manual or mechanical~~
9 ~~separation of covered electronic devices to recover components~~
10 ~~and commodities contained therein for the purpose of reuse or~~
11 ~~recycling.~~

12 ~~(2) A person who changes the physical or chemical composition~~
13 ~~of a covered electronic device, in accordance with the requirements~~
14 ~~of Chapter 6.5 (commencing with Section 25100) of Division 20~~
15 ~~of the Health and Safety Code and the regulations adopted pursuant~~
16 ~~to that chapter, by deconstructing, size reduction, crushing, cutting,~~
17 ~~sawing, compacting, shredding, or refining for purposes of~~
18 ~~segregating components, for purposes of recovering or recycling~~
19 ~~those components, and who arranges for the transport of those~~
20 ~~components to an end user.~~

21 ~~(3) A manufacturer who meets any conditions established by~~
22 ~~this chapter and Chapter 6.5 (commencing with Section 25100)~~
23 ~~of Division 20 of the Health and Safety Code for the collection or~~
24 ~~recycling of covered electronic waste.~~

25 ~~(j) “Discarded” has the same meaning as defined in subdivision~~
26 ~~(b) of Section 25124 of the Health and Safety Code.~~

27 ~~(k) “Electronic waste recovery payment” means an amount~~
28 ~~established and paid by CalRecycle pursuant to Section 42477.~~

29 ~~(l) “Electronic waste recycling payment” means an amount~~
30 ~~established and paid by CalRecycle pursuant to Section 42478.~~

31 ~~(m) “Hazardous material” has the same meaning as defined in~~
32 ~~Section 25501 of the Health and Safety Code.~~

33 ~~(o) “Manufacturer” means either of the following:~~

34 ~~(1) A person who manufactures a covered electronic device sold~~
35 ~~in this state.~~

36 ~~(2) A person who sells a covered electronic device in this state~~
37 ~~under that person’s brand name.~~

38 ~~(p) “Person” means an individual, trust firm, joint stock~~
39 ~~company, business concern, and corporation, including, but not~~
40 ~~limited to, a government corporation, partnership, limited liability~~

1 company, and association. Notwithstanding Section 40170,
2 “person” also includes a city, county, city and county, district,
3 commission, the state or a department, agency, or political
4 subdivision thereof, an interstate body, and the United States and
5 its agencies and instrumentalities to the extent permitted by law.

6 (q) “Recycling” has the same meaning as defined in subdivision
7 (a) of Section 25121.1 of the Health and Safety Code.

8 (r) “Refurbished,” when used to describe a covered electronic
9 device, means a device that the manufacturer has tested and
10 returned to a condition that meets factory specifications for the
11 device, has repackaged, and has labeled as refurbished.

12 (s) “Retailer” means a person who makes a retail sale of a new
13 or refurbished covered electronic device. “Retailer” includes a
14 manufacturer of a covered electronic device who sells that covered
15 electronic device directly to a consumer through any means,
16 including, but not limited to, a transaction conducted through a
17 sales outlet, catalog, or the Internet, or any other similar electronic
18 means.

19 (t) (1) “Retail sale” has the same meaning as defined under
20 Section 6007 of the Revenue and Taxation Code.

21 (2) “Retail sale” does not include the sale of a covered electronic
22 device that is temporarily stored or used in California for the sole
23 purpose of preparing the covered electronic device for use
24 thereafter solely outside the state, and that is subsequently
25 transported outside the state and thereafter used solely outside the
26 state.

27 (u) “Vendor” means a person that makes a sale of a covered
28 electronic device for the purpose of resale to a retailer who is the
29 lessor of the covered electronic device to a consumer under a lease
30 that is a continuing sale and purchase pursuant to Part 1
31 (commencing with Section 6001) of Division 2 of the Revenue
32 and Taxation Code.

33 (v) “Video display device” means an electronic device with an
34 output surface that displays, or is capable of displaying, moving
35 graphical images or a visual representation of image sequences or
36 pictures, showing a number of quickly changing images on a screen
37 in fast succession to create the illusion of motion, including, if
38 applicable, a device that is an integral part of the display, in that
39 it cannot be easily removed from the display by the consumer, that
40 produces the moving image on the screen. A video display device

- 1 may use, but is not limited to, a cathode ray tube (CRT), liquid
- 2 crystal display (LCD), gas plasma, digital light processing, or other
- 3 image projection technology.